

**FIFTIETH DAY.**

(Continued.)

Senate Chamber,  
Austin, Texas,  
April 16, 1935.

The Senate met at 10 o'clock a. m., pursuant to recess, and was called to order by Senator Rawlings.

**House Bill No. 327.**

Pending business was H. B. No. 327 and pending amendments.

**Senate Bill No. 432.**

Senator Beck moved to remove from the calendar S. B. No. 432. The motion prevailed by viva voce vote.

**Senate Bill No. 501.****Motion to Re-commit.**

Senator Davis asked unanimous consent to have S. B. No. 501 re-committed to the Committee on Finance. Unanimous consent was granted.

**House Bill No. 188.**

Senator Martin asked unanimous consent to have set for special order H. B. No. 188.

**Point of Order.**

Senator DeBerry raised the Point of Order that the question before the Senate was the adoption of the amendment of Senator Moore to the amendment by Senator DeBerry to H. B. No. 327.

The Chair, Senator Rawlings, presiding, sustained the Point of Order.

**House Bill No. 327.**

Pending business was the amendment by Senator Moore to H. B. No. 327.

**Motion to Lay on Table Subject to Call.**

Senator DeBerry asked unanimous consent to lay on the table subject to call the pending amendment. Consent was granted.

**Motion to Lay on Table Subject to Call.**

Senator Redditt asked unanimous consent to lay H. B. No. 327 with pending amendments on the table subject to call.

There was objection.

Senator Redditt moved to lay H. B. No. 327 on the table subject to call.

The motion prevailed by viva voce vote.

**House Bill No. 781.**

Senator Redditt received unanimous consent to suspend the regular order of business and take up out of regular order H. B. No. 781.

The Chair laid before the Senate on its second reading the following bill:

By Mr. Leonard:

H. B. No. 781, A bill to be entitled "An Act making appropriations to pay the salaries and wages of officers and employees of the eleemosynary institutions of the State and the Alabama and Coushatta Indians and for other expenses of maintaining and operating them for the two (2) fiscal years beginning September 1, 1935, and ending August 31, 1937, as follows, to wit: Abilene State Hospital; Alabama and Coushatta Indians; Austin State Hospital; Austin State School; Colored Orphans Home, Gilmer; Confederated Home; Confederate Woman's Home; Deaf, Dumb and Blind Institute for Colored Youths; Girls' Training School; Home of Dependent and Neglected Children; State Hospital for Crippled and Deformed Children, at Galveston; State Juvenile Training School; State Orphans Home; Rusk State Hospital; San Antonio State Hospital; Galveston State Psychopathic Hospital; Terrell State Hospital; State Tuberculosis Sanatorium; Wichita Falls State Hospital; Texas School for the Blind at Austin; Texas School for the Deaf at Austin, and declaring an emergency."

(With committee substitute.)

The Committee Substitute was adopted by viva voce vote.

Senator Collie sent up the following amendment:

Amend C. S. for House Bill No. 781, page 2, line 59, by adding a new Section, numbered 59, as follows:

|  | For Years Ending |               |
|--|------------------|---------------|
|  | Aug. 31, 1936    | Aug. 31, 1937 |
| 59. Ward building and equipment.....   |                  | \$ 55,600.00  |
| Ward building and equipment, to be used primarily for care and treatment of idiotic and imbecilic epileptics ..... | \$ 55,000.00     |               |
| Additional salaries, for other new ward buildings, including additional physician                                  | 3,400.00         | 7,756.00      |
| Additional support and maintenance for other new ward buildings .....  | 5,000.00         | 15,000.00     |
| Totals, additional .....   | \$ 63,400.00     | \$ 77,756.00  |

COLLIE.

Read.

## Motion to Table.

Senator Redditt moved to table the amendment by Senator Collie. The motion to table lost by the following vote:

Yeas—9.

|           |             |
|-----------|-------------|
| Burns.    | Redditt.    |
| Davis.    | Sanderford. |
| DeBerry.  | Shivers.    |
| Holbrook. | Van Zandt.  |
| Poage.    |             |

Nays—16.

|          |         |
|----------|---------|
| Beck.    | Martin. |
| Collie.  | Moore.  |
| Duggan.  | Neal.   |
| Hill.    | Oneal.  |
| Hornsby. | Pace.   |

|           |             |
|-----------|-------------|
| Rawlings. | Sulak.      |
| Small.    | Westerfeld. |
| Stone.    | Woodruff.   |

Present—Not Voting.

Cotten.

Absent—Excused.

|           |          |
|-----------|----------|
| Blackert. | Hopkins. |
| Fellbaum. | Regan.   |

The amendment was adopted by viva voce vote.

Senator Hornsby sent up the following amendment:

Amend Committee Substitute to House Bill No. 781, page 5, by adding new items known as 109, 110, and 111, to read as follows:

|  | For Years Ending |               |
|--|------------------|---------------|
|  | Aug. 31, 1936    | Aug. 31, 1937 |
| 109. Ward Building and Equipment .....                               | \$110,000.00     |               |
| 110. Additional Salaries for New Ward Building                       | 3,240.00         | \$ 6,480.00   |
| 111. Additional Support and Maintenance for New Ward Buildings ..... | 9,000.00         | 18,000.00     |

HORNSBY.

Read.

## Motion to Table.

Senator Redditt moved to table the amendment by Senator Hornsby. The motion to table lost by the following vote:

Yeas—10.

|           |             |
|-----------|-------------|
| Burns.    | Redditt.    |
| DeBerry.  | Sanderford. |
| Holbrook. | Shivers.    |
| Pace.     | Van Zandt.  |
| Poage.    | Woodruff.   |

Nays—12.

|         |          |
|---------|----------|
| Beck.   | Duggan.  |
| Collie. | Hill.    |
| Cotten. | Hornsby. |

|           |             |
|-----------|-------------|
| Moore.    | Small.      |
| Oneal.    | Stone.      |
| Rawlings. | Westerfeld. |

Absent.

|         |        |
|---------|--------|
| Davis.  | Neal.  |
| Martin. | Sulak. |

Absent—Excused.

|           |          |
|-----------|----------|
| Blackert. | Hopkins. |
| Fellbaum. | Regan.   |

The amendment was adopted by viva voce vote.

Senator Burns sent up the following amendment:

Amend Committee Substitute H. B. No. 781, page 3, line 23, by striking

out the words and figures \$3,000.00 and substitute in lieu thereof \$5000.00.

BURNS.

Read and pending.

**Messages From the Governor.**

The Chair recognized the doorkeeper, who introduced a messenger from the Governor with the following messages:

Executive Office,

Austin, Texas, April 16, 1935.

To the Members of the Forty-Fourth Legislature:

At the request of the authorities of the Reconstruction Finance Corporation in Texas, I am submitting to you for your action bill herewith attached authorizing the RFC Mortgage Corporation, or any other corporation whose stock is entirely subscribed for and owned by the United States of America, to do business in the State of Texas without the payment of any filing fees, franchise taxes, or other taxes imposed by the State of Texas upon corporations.

I trust that some of the membership of the House and Senate respectively, will kindly sign and introduce the attached bills.

Respectfully submitted,

WALTER F. WOODUL,

Acting Governor of Texas.

Read.

Executive Office,

Austin, Texas, April 16, 1935.

To the Forty-Fourth Legislature of Texas:

I feel it my duty to direct your attention to conditions existing in the western portion of our State. Three extremely dry years with continuous wind of high velocity have brought desolation to an extensive area which theretofore enjoyed enviable prosperity. This condition has been aggravated seriously by similar disasters in neighboring states and through the middle section of the United States. In a number of counties in this State the soil is being destroyed rapidly by wind erosion and throughout the entire state and particularly in the northwestern portion the health of our people is being menaced seriously by unprecedented dust storms that have originated beyond the borders of Texas and swept across our state with accelerated fury. The soil is

our most valuable natural resource; the public health is a matter of most vital concern.

It therefore behooves the Legislative branch of government to set up appropriate agencies to minimize the evil effects of this disaster. That one section of the county most susceptible to wind erosion and the generation of dust storms can contaminate other sections not susceptible under the same conditions of drouth and wind is a matter of common knowledge. Unquestionably, Texas soil has been depreciated by reason of erosion in other states. Vast areas of land not subject to erosion on their own accord are being destroyed by reason of erosion originating on other lands within and without the State. The problem is therefore an inter-state problem and I am glad to say that it is being seriously considered by the Federal Government. Texas must cooperate with the Federal Government and to do so we must have duly constituted agencies authorized by law to act.

Section 59a, Article XVI of the Constitution of Texas authorizes the creation of the necessary agencies for the conservation of natural resources. I think we are confronted with an emergency and I therefore respectfully suggest the enactment of appropriate legislation to set in motion activities that will minimize the disaster that is impending. By intelligent action we can prevent much damage and in my opinion this session of the Legislature should not adjourn until such action is taken.

Respectfully submitted,

WALTER F. WOODUL,

Acting Governor of Texas.

Read.

**Senate Bill No. 506.**

Senator Small sent up the following bill:

By Senators Small and Duggan:

S. B. No. 506, A bill to be entitled "An Act authorizing the RFC Mortgage Company, or any other corporation whose stock is entirely subscribed for and owned by the United States of America, and the principal business of which is that of making loans upon mortgages, deeds of trust, or other instruments conveying or constituting a lien upon real estate, or any interest therein, to do busi-

ness in the State of Texas without the payment of any filing fee, franchise tax, or other fees imposed by the State of Texas upon corporations, and to authorize the Secretary of State of the State of Texas to issue a permit to do business without the payment of any fee upon the filing with such Secretary of State of the customary application for a permit to do business by a foreign corporation."

Read and referred to the Committee on Civil Jurisprudence.

#### House Bill No. 781.

Recurring business was H. B. No. 781 and pending amendment by Senator Burns.

Senator Poage sent up the following amendment:

Amend Burns' amendment by striking out the words and figures \$5,000.00 wherever they occur and insert in lieu thereof the words and figures \$6,000.00.

POAGE.

Read.

#### Motion to Table.

Senator Burns moved to table the amendment by Senator Poage.

The motion to table prevailed by the following vote:

Yeas—17.

|           |             |
|-----------|-------------|
| Beck.     | Oneal.      |
| Burns.    | Rawlings.   |
| Cotten.   | Redditt.    |
| Davis.    | Sanderford. |
| Holbrook. | Shivers.    |
| Hornsby.  | Small.      |
| Martin.   | Stone.      |
| Moore.    | Westerfeld. |
| Neal.     |             |

Nays—9.

|          |            |
|----------|------------|
| Collie.  | Poage.     |
| DeBerry. | Sulak.     |
| Duggan.  | Van Zandt. |
| Hill.    | Woodruff.  |
| Pace.    |            |

Absent—Excused.

|           |          |
|-----------|----------|
| Blackert. | Hopkins. |
| Fellbaum. | Regan.   |

The amendment by Senator Burns was adopted by viva voce vote.

#### Vote Recorded.

Senator DeBerry asked to be recorded as voting "no" on adoption of the amendment by Senator Burns.

Senator Cotten sent up the following amendment:

Amend committee substitute for H. B. No. 781, page 22, by adding new lines known as 85a, 85b, and 85c, to read as follows:

|  | For Years Ending |               |
|--|------------------|---------------|
|  | Aug. 31, 1936    | Aug. 31, 1937 |
| 85a. Psychopathic Ward Building and equipment .....                              | \$ 118,000.00    |               |
| 85b. Additional Salaries for new Psychopathic Ward Building .....                | 3,240.00         | \$ 6,480.00   |
| 85c. Additional Support and Maintenance for new Psychopathic Ward Building ..... | 8,000.00         | 17,000.00     |
|  |                  | COTTEN.       |

Read.

Adopted by viva voce vote.

Senator Holbrook sent up the following amendments:

#### Amendment No. 1.

Amend the committee substitute for H. B. No. 781, page 11, Item 3, line 14, by striking out the words and figures Thirty-eight Hundred Eighty-eight Dollars (\$3,888.00) and substituting therefor the words and figures Forty-four Hundred Eighty Dollars (\$4,480.00) for each year.

HOLBROOK.

Read and adopted.

#### Amendment No. 2.

Amend committee substitute for H. B. No. 781, page 11, item 24, line 3, by striking out the figures \$30,500.00 and \$32,000.00 and substituting therefor the figures \$35,000.00 and \$37,500.00.

HOLBROOK.

Read and adopted.

#### Amendment No. 3.

Amend committee substitute for H. B. No. 781, page 11, Item 25, by striking out the figures \$7,000.00 and substituting therefor the figures \$8,000.00.

HOLBROOK.

Read and adopted.

## Amendment No. 4.

Amend the committee substitute for H. B. No. 781, page 11, Item 31, line 48, by striking out the figures \$3,000.00 and substituting therefor the figures \$6,000.00.

HOLBROOK.

Read and adopted.

## Amendment No. 5.

Amend the committee substitute for H. B. No. 781, page 11, by adding a new item to be designated "Item 38" to read as follows:

"Item 38" Hospital Building addition: \$120,000 for the year beginning September 1, 1935, and ending August 31, 1936.

HOLBROOK.

Read and adopted by the following vote:

Yeas—18.

|           |             |
|-----------|-------------|
| Beck.     | Pace.       |
| Burns.    | Rawlings.   |
| Cotten.   | Redditt.    |
| Davis.    | Sanderford. |
| Hill.     | Shivers.    |
| Holbrook. | Stone.      |
| Hornsby.  | Sulak.      |
| Martin.   | Van Zandt.  |
| Moore.    | Westerfeld. |

Nays—5.

Collie.  
DeBerry.  
Neal.

Poage.  
Woodruff.

Absent.

Duggan.  
Oneal.

Small.

Absent—Excused.

Blackert.  
Fellbaum.

Hopkins.  
Regan.

## Amendment No. 6.

Amend the committee substitute for H. B. No. 781, page 11, by adding a new item to be designated "Item 39" to read as follows:

"Item 39" Equipment for Hospital Building addition \$7,500.00 for the year beginning September 1, 1935, and ending August 31, 1936.

HOLBROOK.

Read and adopted.

Senator Davis sent up the following amendment:

Amend the committee substitute for H. B. No. 781, page 24, by adding new items known as 75a, 75b, 75c, 75d, 75e, and 75f, to read as follows:

|  | For Years Ending |               |
|--|------------------|---------------|
|  | Aug. 31, 1936    | Aug. 31, 1937 |
| 75a. Ward building and equipment.....  | \$ 100,000.00    |               |
| 75b. Ward building and equipment.....  |                  | \$ 100,000.00 |
| 75c. Ice plant and machine shop building and equipment, and moving equipment from old site.....  | 25,000.00        |               |
| 75d. Enlargement of power plant, deep well pump, settling basin and sand-filter for filter plant and settling basin for sewage disposal plant..... | 11,000.00        |               |
| 75e. Additional salaries for new buildings.....  | 6,960.00         | 8,120.00      |
| 75f. Additional support and maintenance for new buildings.....   | 12,000.00        | 34,000.00     |

DAVIS.

Read and pending.

Senator Oneal was recognized for a privileged motion.

## Senate Bill No. 324.

Senator Oneal moved that the Senate do concur in House amendments to S. B. No. 324.

The motion prevailed by the following vote:

Yeas—26.

|         |          |
|---------|----------|
| Beck.   | Cotten.  |
| Burns.  | Davis.   |
| Collie. | DeBerry. |

Duggan.  
Hill.  
Holbrook.  
Hornsby.  
Martin.  
Moore.  
Neal.  
Oneal.  
Pace.  
Poage.

Rawlings.  
Redditt.  
Sanderford.  
Shivers.  
Small.  
Stone.  
Sulak.  
Van Zandt.  
Westerfeld.  
Woodruff.

Absent—Excused.

Blackert.  
Fellbaum.

Hopkins.  
Regan.

**H. C. R. No. 81.**

Senator Hornsby received unanimous consent to take up H. C. R. No. 81.

The Chair laid before the Senate H. C. R. No. 81 providing for a joint session of the House and Senate at 1:45 p. m., Wednesday, April 17, 1935, for the purpose of hearing Judge James E. Blaine, an authority on safety problems.

Senator Hornsby moved that the Senate rule requiring resolutions to be referred to a committee be suspended, and that H. C. R. No. 81 be taken up and considered at this time.

The motion prevailed.

H. C. R. No. 81 was adopted by viva voce vote.

**S. C. R. No. 40.**

Senator Martin sent up the following resolution:

Whereas, Prior to the enactment of Chapter 220, Section 4, of the Acts of the Regular Session of the Forty-third Legislature, the sheriffs of the various counties of this State and their deputies were permitted, under the provisions of Article 3899, to deduct such reasonable expenses for the operation, maintenance and depreciation of automobiles personally owned and operated in the line of business of such sheriffs and their deputies as were approved by the commissioners' court of the various counties; and,

Whereas, By the enactment of Chapter 220, Section 4, of the Acts of the Regular Session of the Forty-third Legislature, Article 3899 was amended so that the pertinent portion of the same reads as follows: "The expense of the maintenance of operation of such automobile or automobiles as may be allowed, whether purchased by the county or owned by the sheriff or his deputies, personally, shall be paid for by the sheriff; provided, however, that the commissioners' court shall not allow in excess of the total sum of Fifty (\$50.00) Dollars per month expenses for the operation and depreciation on cars owned by the sheriff or his deputies"; and,

Whereas, Such language was first construed by the Attorney General of Texas to mean that such sheriffs should be allowed a maximum of Fifty (\$50.00) Dollars for expenses

incurred for the maintenance, operation and depreciation of each automobile operated by the sheriff or his deputies in the period of one month; and,

Whereas, Under an opinion recently written by the Attorney General of Texas and/or one of his assistants, said language has been construed to mean that such sheriffs should be allowed a maximum of Fifty (\$50.00) Dollars per month for the expense and operation and depreciation of all cars so owned and operated by the sheriff and his deputies; and,

Whereas, It was the intention of the Legislature to limit the expenses for such automobiles to Fifty (\$50.00) Dollars per month for each car, and the proper construction of the language above quoted is doubtful, and any construction other than that herein expressed would be and is unreasonable and would work a hardship on and a discrimination against many of the sheriffs of the various counties of this State; now, therefore, be it

Resolved by the Senate of the Forty-fourth Legislature of the State of Texas, the House of Representatives concurring, That it was the intention of the Legislature that the sheriffs of this State be permitted to charge as reasonable expenses for the operation of their automobiles a maximum sum of Fifty (\$50.00) Dollars per month per car, and be it further resolved that the commissioners' court and county auditors and other county and State officials are hereby requested and instructed to so construe said Statute and to allow the sheriffs of this State a maximum sum of Fifty (\$50.00) Dollars per car per month for the operating expenses of all such cars as are reasonably necessary to a proper discharge of the duties of the sheriffs of this State.

MARTIN.

Read and referred to the Committee on State Affairs.

**Senate Bill No. 135.**

Senator Shivers moved that the Senate do concur in House amendments to S. B. No. 135.

The motion prevailed by the following vote:

Yeas—26.

Beck.  
Burns.

Collie.  
Cotten.

Davis.  
DeBerry.  
Duggan.  
Hill.  
Holbrook.  
Hornsby.  
Martin.  
Moore.  
Neal.  
Oneal.  
Pace.

Poage.  
Rawlings.  
Redditt.  
Sanderford.  
Shivers.  
Small.  
Stone.  
Sulak.  
Van Zandt.  
Westerfeld.  
Woodruff.

## Absent—Excused.

Blackert.  
Fellbaum.

Hopkins.  
Regan.

## Recess.

Senator Hill at 12:05 o'clock p. m. moved that the Senate recess until 2:00 o'clock p. m.

The motion prevailed by viva voce vote.

## After Recess.

The Senate met at 2:00 o'clock p. m. pursuant to recess and was called to order by Senator Rawlings.

## House Bill No. 781.

Pending business was the adoption of the pending amendment by Senator Davis to H. B. No. 781.

## Laid on Table Subject to Call.

The amendment was laid on the table subject to call, by unanimous consent.

Senator Beck sent up the following amendment:

Amend the Committee Substitute for H. B. No. 781, page 18, by adding new lines known as 83a, 83b and 83c to read as follows:

|  | For Years Ending |               |
|--|------------------|---------------|
|  | Aug. 31, 1936    | Aug. 31, 1937 |
| 83a. Psychopathic Ward Building and equipment                              | \$ 118,000.00    |               |
| 83b. Additional Salaries for new Psychopathic Ward building                | 3,240.00         | \$ 6,480.00   |
| 83c. Additional Support and Maintenance for new Psychopathic Ward building | 8,000.00         | 17,000.00     |
|  |                  | BECK.         |

## Read and adopted.

Senator Davis called from the table his pending amendment and moved its adoption.

The amendment was adopted by viva voce vote.

Senator Van Zandt sent up the following amendment:

Amend the Committee Substitute for H. B. No. 781, page 20, by adding new lines known as 80a, 80b and 80c to read as follows:

|   | For Years Ending |               |
|---|------------------|---------------|
|   | Aug. 31, 1936    | Aug. 31, 1937 |
| 80a. Ward Building and equipment                              | \$ 110,000.00    |               |
| 80b. Additional Salaries for new Ward Building                | 3,240.00         | \$ 6,480.00   |
| 80c. Additional Support and Maintenance for new Ward Building | 9,000.00         | 18,000.00     |
|   |                  | FELLBAUM.     |

## Read and adopted.

Senator Shivers sent up the following amendment:

Amend C. S. for H. B. No. 781, page 31, by adding Subdivision No. 16 to Section 3 as follows:

"Any superintendent of any of the foregoing institutions, named in this bill, for which an appropriation is made herein, or any other person charged with the duty of disbursing the funds appropriated, or any person charged with supervision of em-

which he or she holds and the Board ployees working in any of the foregoing institutions, who shall knowingly violate the nine-fifty-four (954) hour law governing hours of labor for female employees or knowingly violate any other statute regulating the working conditions of female employees, shall be deemed guilty of official misconduct and shall be and the same is hereby made a ground for the removal of such person from the office or position

of Control is hereby required to remove such person upon violation of this provision.

SHIVERS.

Read and adopted.

Senator Redditt sent up the following amendments:

Amendment No. 1.

Amend C. S. for H. B. No. 781 by adding between lines 28 and 29,

page 19, of the printed bill, the following:

"General maintenance man, \$900.00 each year."

REDDITT.

Read and adopted.

Amendment No. 2.

Amend the committee substitute for H. B. No. 781 by inserting between lines 11 and 12 on page 14 a new item to read as follows:

For Years Ending

Aug. 31, 1936 Aug. 31, 1937

4a. For remodeling and re-equipping hospital building ----- \$ 75,000.00

Also amend line 11, page 14, by striking out \$15,000.00 in the second column and inserting in lieu thereof \$35,000.00, and changing totals accordingly.

REDDITT.

Read and adopted.

Senator Beck sent up the following amendment:

Amend the Committee Substitute for H. B. No. 781, page 28, by adding a new line known as 37, to read as follows:

For Years Ending

Aug. 31, 1936 Aug. 31, 1937

37. Mechanical Building ----- \$ 65,000.00

BECK.

Read and adopted.

The bill was read second time as substituted and amended and passed to third reading by viva voce vote.

On motion of Senator Redditt the constitutional rule requiring bills to be read on three several days was suspended and H. B. No. 781 was put on its third reading and final passage by the following vote:

Yeas—27.

|           |             |
|-----------|-------------|
| Beck.     | Oneal.      |
| Burns.    | Pace.       |
| Collie.   | Poage.      |
| Cotten.   | Rawlings.   |
| Davis.    | Redditt.    |
| DeBerry.  | Sanderford. |
| Duggan.   | Shivers.    |
| Hill.     | Small.      |
| Holbrook. | Stone.      |
| Hopkins.  | Sulak.      |
| Hornsby.  | Van Zandt.  |
| Martin.   | Westerfeld. |
| Moore.    | Woodruff.   |
| Neal.     |             |

Absent—Excused.

|           |        |
|-----------|--------|
| Blackert. | Regan. |
| Fellbaum. |        |

Senator Redditt asked unanimous consent to amend the caption to conform to the body of the bill.

Unanimous consent was granted. Read third time and finally passed by the following vote:

Yeas—23.

|           |             |
|-----------|-------------|
| Beck.     | Neal.       |
| Burns.    | Oneal.      |
| Collie.   | Pace.       |
| Cotten.   | Rawlings.   |
| Davis.    | Redditt.    |
| Duggan.   | Sanderford. |
| Hill.     | Shivers.    |
| Holbrook. | Small.      |
| Hopkins.  | Stone.      |
| Hornsby.  | Van Zandt.  |
| Martin.   | Woodruff.   |
| Moore.    |             |

Nays—2.

|          |        |
|----------|--------|
| DeBerry. | Poage. |
|----------|--------|

Absent.

|        |             |
|--------|-------------|
| Sulak. | Westerfeld. |
|--------|-------------|

Absent—Excused.

|           |        |
|-----------|--------|
| Blackert. | Regan. |
| Fellbaum. |        |

House Bill No. 521.

Senator Hornsby called from the table H. B. No. 521.



By Reed of Dallas:

H. B. No. 521, A bill to be entitled "An Act making better provision for the regulation of the sale and dealings in stocks, bonds, and securities in this State; etc., and declaring an emergency."

The pending amendment by Senator Redditt was adopted by viva voce vote.

Senator Hornsby sent up the following amendments:

**Amendment No. 1.**

Amend H. B. No. 521, page 2, Section 2, line 57, by striking out the first "a" in the said line and substituting in lieu thereof the words "an intentional."

**HORNSBY.**

Read and adopted.

**Amendment No. 2.**

Amend H. B. No. 521, Section 5, page 5, line 7, by inserting after the word "dealer" the following: "Agent or salesman."

**HORNSBY.**

Read and adopted.

**Amendment No. 3.**

Amend H. B. No. 521 by striking out paragraph "O," Section 3, and substituting in lieu thereof the following:

"The sale by the issuer, itself, of any securities that are issued by a State or National bank, by a trust company, or building and loan association organized and operating under the laws of the State of Texas and subject to the supervision of the Commissioner of Banking of the State of Texas, or Federal Loan and Savings Association, or a company subject to the supervision of the Banking Commissioner under S. B. No. 165, Forty-second Legislature. Provided, however, that all salesmen acting for any bank, trust company, or company subject to the supervision of the Banking Commissioner under S. B. No. 165, Forty-second Legislature, in the sale of such securities within this State, shall be licensed as provided in this Act."

**HORNSBY.**

Read and adopted.

The committee report recommending that the bill be not printed was adopted by unanimous consent.

The bill was read second time as amended and passed to third reading.

On motion of Senator Hornsby the constitutional rule requiring bills to be read on three several days was suspended and H. B. No. 521 was put on its third reading and final passage by the following vote:

**Yeas—27.**

|           |             |
|-----------|-------------|
| Beck.     | Oneal.      |
| Burns.    | Pace.       |
| Collie.   | Poage.      |
| Cotten.   | Rawlings.   |
| Davis.    | Redditt.    |
| DeBerry.  | Sanderford. |
| Duggan.   | Shivers.    |
| Hill.     | Small.      |
| Holbrook. | Stone.      |
| Hopkins.  | Sulak.      |
| Hornsby.  | Van Zandt.  |
| Martin.   | Westerfeld. |
| Moore.    | Woodruff.   |
| Neal.     |             |

**Absent—Excused.**

|           |        |
|-----------|--------|
| Blackert. | Regan. |
| Fellbaum. |        |

Senator Hornsby asked unanimous consent to amend the caption to conform to the body of the bill.

Unanimous consent was granted.

Read third time and finally passed by the following vote:

**Yeas—26.**

|           |             |
|-----------|-------------|
| Beck.     | Neal.       |
| Burns.    | Oneal.      |
| Collie.   | Pace.       |
| Cotten.   | Poage.      |
| Davis.    | Rawlings.   |
| DeBerry.  | Redditt.    |
| Duggan.   | Sanderford. |
| Hill.     | Shivers.    |
| Holbrook. | Small.      |
| Hopkins.  | Stone.      |
| Hornsby.  | Van Zandt.  |
| Martin.   | Westerfeld. |
| Moore.    | Woodruff.   |

**Absent—Excused.**

|           |        |
|-----------|--------|
| Blackert. | Regan. |
| Fellbaum. | Sulak. |

**House Bill No. 581.**

Senator Pace asked unanimous consent to suspend the regular order of business and to take up out of regular order H. B. No. 581.

There was objection.

Senator Pace moved to suspend the regular order of business and to take up H. B. No. 581.

**Points of Order.**

Senator Collie raised the point of order that the time for the discussion of the motion had expired.

The Chair, Senator Rawlings presiding, held that there were ten minutes remaining for discussion.

Senator Van Zandt raised the point of order that the time for discussion of the motion had expired.

The Chair sustained the point of order.

**Substitute Motion to Re-commit.**

Senator Poage moved as a substitute that H. B. No. 581 be re-committed to the Committee on State Affairs.

The motion prevailed by the following vote:

**Yeas—12.**

|           |             |
|-----------|-------------|
| Burns.    | Martin.     |
| Collie.   | Poage.      |
| DeBerry.  | Rawlings.   |
| Duggan.   | Sanderford. |
| Hill.     | Sulak.      |
| Holbrook. | Westerfeld. |

**Nays—10**

|          |            |
|----------|------------|
| Beck.    | Pace.      |
| Cotten.  | Redditt.   |
| Hornsby. | Stone.     |
| Moore.   | Van Zandt. |
| Neal.    | Woodruff.  |

**Absent.**

|          |          |
|----------|----------|
| Davis.   | Shivers. |
| Hopkins. | Small.   |
| Oneal.   |          |

**Absent—Excused.**

|           |        |
|-----------|--------|
| Blackert. | Regan. |
| Fellbaum. |        |

**House Bill No. 327.**

Senator Duggan was recognized and called from the table H. B. No. 327. The question recurred on the adoption of the pending amendment by Senator Moore.

Senator Moore withdrew his pending amendment.

The question recurred on the Committee Amendment No. 7 as substituted by the DeBerry amendment.

Committee Amendment No. 7 as substituted was adopted by viva voce vote.

Senator Moore sent up the following amendment:

Amend by adding a new section to be Section 13A:

"Out of the \$4,000,000 appropriated above the sum of \$100,000 is hereby appropriated for the care, aid and medical treatment of crippled children. This sum shall be in addition to the sum of \$150,000 appropriated above for the State program for Rehabilitation of Crippled Children."

MOORE.

Read and adopted.

**Committee Amendment No. 8.**

Amend House Bill No. 327, Section 14, page 13, by eliminating said Section 14 beginning with the word "Provided" in first line at top of page 13, and inserting in lieu thereof:

"Provided further that the State Superintendent of Public Instruction shall appoint not to exceed sixteen (16) inspectors and two (2) stenographers under this Act."

Read.

**Motion to Table.**

Senator Burns moved to table Committee Amendment No. 8. Senator Burns withdrew his motion. Committee Amendment No. 8 pending.

**Motion to Recess.**

Senator Pace at 4:09 o'clock p. m. moved that the Senate recess until 9:30 o'clock a. m. Wednesday.

Senator Pace withdrew his motion to recess.

Senator Van Zandt sent up the following amendment:

Amend H. B. No. 327, page 4, by adding after the word "school" in line 24 thereof the following:

"offering the largest number of recognized credits, subject to the approval of the parent or guardian of such child or children and subject to the approval of the Board of Trustees of such receiving district."

VAN ZANDT.

Read and adopted.

**Motion to Table.**

Senator Burns moved to table Committee Amendment No. 8.

The motion to table lost by the following vote:

Yeas—12.

|          |             |
|----------|-------------|
| Burns.   | Oneal.      |
| Cotten.  | Pace.       |
| DeBerry. | Sanderford. |
| Hill.    | Shivers.    |
| Martin.  | Stone.      |
| Moore.   | Sulak.      |

Nays—13.

|           |             |
|-----------|-------------|
| Beck.     | Rawlings.   |
| Collie.   | Redditt.    |
| Duggan.   | Small.      |
| Holbrook. | Van Zandt.  |
| Hornsby.  | Westerfeld. |
| Neal.     | Woodruff.   |
| Poage.    |             |

Absent.

Davis.

Absent—Excused.

|           |          |
|-----------|----------|
| Blackert. | Hopkins. |
| Fellbaum. | Regan.   |

Committee Amendment No. 8 was adopted by the following vote:

Yeas—16.

|           |             |
|-----------|-------------|
| Beck.     | Pace.       |
| Collie.   | Poage.      |
| Davis.    | Rawlings.   |
| Duggan.   | Redditt.    |
| Holbrook. | Small.      |
| Hornsby.  | Van Zandt.  |
| Martin.   | Westerfeld. |
| Neal.     | Woodruff.   |

Nays—9.

|          |             |
|----------|-------------|
| Burns.   | Sanderford. |
| Cotten.  | Shivers.    |
| DeBerry. | Stone.      |
| Hill.    | Sulak.      |
| Moore.   |             |

Absent.

Oneal.

Absent—Excused.

|           |          |
|-----------|----------|
| Blackert. | Hopkins. |
| Fellbaum. | Regan.   |

Motion to Recess.

Senator Pace at 4:15 o'clock moved that the Senate recess until 9:30 a. m. Wednesday.

Senator Cotten moved that the Senate recess until 10 o'clock a. m. Wednesday. Motions to recess pending.

35—Jour.

# Senators Excused.

The following Senators were excused on account of important business:

Senator Regan on motion of Senator Davis.

Senator Blackert on motion of Senator Martin.

## Message From the House.

The Chair recognized the door-keeper, who introduced a messenger from the House with the following messages:

Hall of the House of Representatives,  
Austin, Texas, April 16, 1935.  
Hon. Walter F. Woodul, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has received S. B. No. 324 for further consideration under authority of S. C. R. No. 30. The House reconsidered the vote by which S. B. No. 324 passed finally—amended S. B. No. 324 and passed finally by a vote of 104 yes and 3 nays.

S. B. No. 324, A bill to be entitled "An Act prohibiting any person from catching, retaining or having in his possession any channel catfish or blue catfish which are less than eleven inches in length or to catch or retain or have in his possession in any one day a total aggregate of more than twenty of such fish taken from any of the waters described in Section 1 of Chapter 37 of the Acts of the Thirty-ninth Legislature; and providing a maximum number of hooks that may be used on any trot line and the minimum distance of said hooks from each other on said line; and providing the minimum distance from each other that any trot lines may be set and the number of trot lines that any party composed of any two or more persons may set or use at the same time in the waters described in said Section 1 of Chapter 37 of the Acts of the Thirty-ninth Legislature; and defining what is meant by the word 'party' as used in this Act, and declaring an emergency."

(With amendments)

The House has received S. B. No. 135 under authority of S. C. R. No. 32, for further consideration. The House reconsidered the vote by which S. B. No. 135 passed finally—

amended S. B. No. 135 and passed finally S. B. No. 135 by a vote of 108 yeas and 0 nays.

S. B. No. 135, A bill to be entitled "An Act amending Chapter 18, Acts of the Forty-third Legislature, Second Called Session, page 54, (Article 3886-B) providing for the maximum compensation of assistant county attorneys and other employees of the county attorney in all counties in the State having a population of one hundred thousand and one (100,001) inhabitants and not more than one hundred and fifty thousand (150,000) inhabitants and containing two cities of fifty thousand (50,000) population or more each according to the last Federal census of 1930; providing for the compensation of assistant county attorneys and other employees of the county attorneys in such counties; repealing all laws and parts of laws in conflict herewith; providing that this Act shall become effective from and after its passage and declaring an emergency."

(With amendments.)

Respectfully submitted,  
LOUISE SNOW PHINNEY,  
Chief Clerk, House of Representatives.  
Hall of the House of Representatives,  
Austin, Texas, April 16, 1935.  
Hon. Walter F. Woodul, President  
of the Senate.

Sir: I am directed by the House to inform the Senate that the House has refused to adopt the Conference Committee report on H. B. No. 779 by a viva voce vote and has requested the same conferees to consider further the differences between the two Houses.

Respectfully submitted,  
LOUISE SNOW PHINNEY,  
Chief Clerk, House of Representatives.  
Hall of the House of Representatives,  
Austin, Texas, April 16, 1935.  
Hon. K. M. Regan, President Pro  
Tempore of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following resolution:

H. C. R. No. 81—Providing for a joint session of the House and Senate at 1:45 p. m. Wednesday, April 17, 1935, for the purpose of hearing Judge James E. Blaine, an authority on safety problems.

Respectfully submitted,  
LOUISE SNOW PHINNEY,  
Chief Clerk, House of Representatives.

#### Senate Bill No. 476.

Senator Neal was recognized and received unanimous consent to take up out of regular order S. B. No. 476.

The Chair laid before the Senate on its second reading the following bill:

By Senator Neal, by request:

S. B. No. 476, A bill to be entitled "An Act conferring additional powers upon navigation districts, authorizing navigation districts to charge tolls for the use of its waterways by persons using them for commercial purposes, which waterways are not owned or constructed by the United States as a navigation project; providing that such districts may lease its rights-of-way, spoil basins and other lands for oil, gas and mineral development, providing it does not interfere with the use or development of the project for navigation, and providing the procedure therefor; providing for the sale of any surplus lands owned by such navigation district and prescribing the procedure therefor; providing that such districts may construct turning basins, storage basins and yacht basins and other facilities; providing this act shall be cumulative of all other laws upon the subject of navigation; providing that if any part of this act is held unconstitutional, it will not affect the remainder and declaring an emergency."

The bill was read second time and passed to engrossment by viva voce vote.

On motion of Senator Neal the constitutional rule requiring bills to be read on three several days was suspended and S. B. No. 476 was put on its third reading and final passage by the following vote:

#### Yeas—27.

|           |             |
|-----------|-------------|
| Beck.     | Oneal.      |
| Burns.    | Pace.       |
| Collie.   | Poage.      |
| Cotten.   | Rawlings.   |
| Davis.    | Redditt.    |
| DeBerry.  | Sanderford. |
| Duggan.   | Shivers.    |
| Hill.     | Small.      |
| Holbrook. | Stone.      |
| Hopkins.  | Sulak.      |
| Hornsby.  | Van Zandt.  |
| Martin.   | Westerfeld. |
| Moore.    | Woodruff.   |
| Neal.     |             |

## Absent—Excused.

Blackert. Regan.  
Fellbaum.

Read third time and finally passed  
by the following vote:

## Yeas—25.

|           |             |
|-----------|-------------|
| Beck.     | Oneal.      |
| Burns.    | Pace.       |
| Collie.   | Poage.      |
| Cotten.   | Rawlings.   |
| Davis.    | Redditt.    |
| DeBerry.  | Sanderford. |
| Duggan.   | Small.      |
| Hill.     | Stone.      |
| Holbrook. | Sulak.      |
| Hornsby.  | Van Zandt.  |
| Martin.   | Westerfeld. |
| Moore.    | Woodruff.   |
| Neal.     |             |

## Absent—Excused.

Blackert. Regan.  
Fellbaum. Shivers.  
Hopkins.

Senator Hill was recognized for a  
privileged matter.

## Senate Bill No. 361.

Senator Hill sent up the Confer-  
ence Committee report on S. B. No.  
361.

Committee Room,  
Austin, Texas, April 9, 1935.

Hon. Walter F. Woodul, President  
of the Senate.

Hon. Coke Stevenson, Speaker of  
the House of Representatives.

Sirs: We, yours Conference Com-  
mittee, appointed to adjust the differ-  
ences between the two Houses on  
Senate Bill No. 361, recommend that  
said bill be adopted in form and text  
as submitted herewith.

Respectfully submitted,

REDDITT,  
BURNS,  
HILL,  
COTTEN,  
PACE,

On the part of the Senate.

GLASS,  
ROACH of Angelina,  
TILLERY,  
ALSUP,  
JONES of Shelby,

On the part of the House.

By Redditt, Hill S. B. No. 361.  
Shivers, Pace,  
Burns, Hugh-  
ston, Cotton.

A BILL  
To Be Entitled

An Act creating "Sabine-Neches  
Conservation District," a conser-  
vation and reclamation district  
with the powers provided in Sec-  
tion 59 of Article 16 of the Con-  
stitution, to conserve, control and  
utilize the waters of the Sabine  
and Neches Rivers and their tribu-  
taries, including their storm and  
flood waters, except said district  
shall have no power of taxation  
nor right to create any debt pay-  
able out of taxation; authorizing  
one or more districts created un-  
der Section 59 of Article 16 of  
the Constitution to coordinate  
their plans and to join plans for  
improvements; defining the bound-  
aries thereof, providing for con-  
trol through Board of Directors,  
their appointment, qualifications  
and tenure, their organization and  
powers; authorizing the Board of  
Directors to appoint a board of  
Managing Directors; authorizing  
the storing, controlling, conser-  
vation and distribution of storm  
and flood waters of the Sabine  
and Neches Rivers and their  
tributaries, within and/or with-  
out such district for irrigation,  
domestic, industrial and municipal  
uses, and also for hydroelectric  
power, with authority to make  
contracts with water users and  
to establish and collect mainte-  
nance and operation charges for  
water service, also authorizing all  
contracts, leases and agreements  
necessary or convenient with any  
person, corporation or government,  
including the United States Gov-  
ernment and State of Texas, or  
their agencies; authorizing con-  
veyance of the district's proper-  
ties, improvements and facilities  
to the United States, or any  
agency thereof, and a lease  
thereof with the United States, or  
any agency thereof with the  
rentals payable out of the reve-  
nues of such district; subordinat-  
ing such district to the control of  
the State Board of Water Engi-  
neers, or other State agency; pro-  
viding for acquiring, constructing,

maintaining and operating of all necessary properties, lands, rights, tenements, easements, improvements, reservoirs, dams, canals, laterals, plants, works and facilities necessary or proper within or without said district, including the right of eminent domain, and authorizing such district to borrow money from the Federal emergency Administration of Public Works, or other United States agency, and from other persons, and secure payment thereof by first and/or second mortgage and encumbrance on all of the district's properties, improvements and facilities, and/or the revenues and income to be derived therefrom; to provide work for the relief of unemployed people of Texas; providing for the issuance of interest bearing obligations therefor; requiring submission by said district preliminary to issuing any obligations under said Act, of a certified copy of such obligations under said Act, and of the proceedings authorizing the issuance of such obligations to the Attorney General of Texas for approval, and requiring such obligations, when so approved, to be registered by the Comptroller of the State of Texas; prescribing their terms, conditions of issuance and prohibiting their payment out of any taxation or involuntary assessment; authorizing the grant to the purchaser of such properties under foreclosure sale of a franchise and permit to operate such improvements and facilities; authorizing the refunding of any obligations issued hereunder; authorizing the holder of any such obligation to enforce by legal proceedings performance of duties required by this Act to be performed by such Board of Directors of said district, and in the event of any default on any such obligations to have an administrator or receiver appointed to administer and operate such properties in order to obtain payment of such obligations; preserving the water rights of existing water users; prescribing all necessary details; providing nothing in this Section contained shall conflict with the requirements of any Federal Agency providing any funds for

such District; making an appropriation of Five Thousand (\$5,000.00) Dollars out of the general fund of this State, or so much thereof as is necessary, to pay expenses incurred by said district, acting by and through its Board of Managing Directors; providing if any provisions of this Act shall be invalid, the validity of the other provisions thereof shall not be affected; and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. That there shall be and it is hereby created a conservation and reclamation district by the name of "Sabine-Neches Conservation District," which district is created as a governmental agency, body politic and corporate, vested with all the authority as such under the Constitution and Laws of the State; and which shall have and be recognized to exercise all of the powers of such governmental agency any body politic and corporate as are expressly authorized in the provisions of the Constitution, Section 59 of Article 16, for district created to conserve, store, control, preserve, utilize and distribute the storm and flood waters and the waters of the rivers and streams of the State, and such powers as may be contemplated and implied by the purposes of this provision of the Constitution, and as may be conferred by General Law, as well as by the provisions of this Act, except nothing herein contained shall authorize said district to levy any taxes or special assessments, or to create any debt payable out of taxation; and said district shall have and be recognized to exercise all the rights and powers of an independent governmental agency, body politic and corporate, to construct, maintain and operate, in the valleys of the Sabine and Neches Rivers and their tributaries, within or without the boundaries of such district, any and all works deemed essential to the operation of the district and for its administration in the control, storing, preservation and distribution to all useful purposes of the waters of the Sabine and Neches Rivers and their tributary streams, including the storm and flood waters thereof; and such district shall have and be recognized to exercise such authority and power of control and

regulation over such waters of the Sabine and Neches Rivers and their tributaries as may be exercised by the State of Texas, subject to the provisions of the Constitution and the Acts of the Legislature.

Sec. 2. Any drainage, conservation, reclamation or other district heretofore created by the State of Texas with powers provided in Section 59 of Article 16 of the Constitution, shall have the authority, power and right to coordinate its plans with the district herein created and shall have full authority, power and right to enter into joint undertakings for the purposes for which the districts are created. Provided, however, that all such acts must be approved by a majority of the Boards of Directors of all districts involved.

Sec. 3. The territory which shall be embraced within the boundaries of said "Sabine-Neches Conservation District" shall be that part of the State of Texas defined as follows: Smith, Wood, Van Zandt, Camp, Upshur, Anderson, Henderson, Kaufman, Angelina, Nacogdoches, Cherokee, San Augustine, Sabine, Jasper, Newton, Gregg, Harrison, Panola, Rusk, Shelby, Hunt, Rains, Houston, Trinity, Polk, Orange, Bowie, Cass, Hopkins, Collin, Rockwall and Marion counties.

Sec. 4. The management and control of all the affairs of such district shall be vested in the Board of Directors consisting of thirty-two members, one member being chosen from each county, or portion of county, lying within the "Sabine-Neches Conservation District," as created by this Act, all of whom shall be freehold property taxpayers and legal voters of such district. Such Board of Directors shall be appointed by the Governor of Texas as soon as practicable after the passage of this Act, one-third of the members to be appointed for a term of two (2) years, one-third of the members thereof to be appointed for a term of four (4) years and the remaining members thereof to be appointed for a term of six (6) years, and upon the expiration of the respective terms of said directors, the successors of each and all of them shall be appointed thereafter for a term of six (6) years. The directors shall hold office after their appointment and qualification

until their successors shall be appointed and qualified. Should any vacancy occur in the Board of Directors, the same shall be filled in like manner by the Governor of Texas for the unexpired term. The directors appointed shall, within fifteen (15) days after their appointment, qualify by taking the official oath and filing a good and sufficient bond with the Secretary of State; the official bond of each director to be in the sum of One Thousand (\$1,000.00) Dollars, shall be payable to the district, shall be conditioned upon the faithful performance of their duties as such directors, and shall be subject to approval by the Secretary of State. The Board of Directors shall elect annually, for the term of one year, five members thereof, who shall be known as the "Board of Managing Directors," and when so elected they shall continue to perform the duties of directors, and shall receive no compensation other than as provided for directors herein.

Sec. 5. The directors of the district shall organize by electing one of their members President, one Vice-president and one Secretary. Seventeen directors shall constitute a quorum at any meeting and a concurrence of a majority of those present shall be sufficient in all matters pertaining to the business of the district, except the letting of construction contracts and the authorization of issuance of warrants paying therefor, which shall require the concurrence of twenty-two directors. Warrants for the payment of money may be drawn and signed by two officers or employees designated by standing order entered on the minutes of the directors when such accounts have been contracted and ordered paid by the Board of Directors.

Sec. 6. The directors of the district shall require all officers and employees who shall be charged with the collection or paying or handling of any funds of the district under their orders, to furnish good and sufficient bonds, with a duly authorized surety company as surety thereon, payable to the district, conditioned upon the faithful performance of their duties and accounting for all funds and property of the district coming into their hands,

which bonds shall be insufficient sums to safeguard the district.

Sec. 7. The President shall preside at all meetings of the Board and shall be the chief executive officer of the District. The Vice-President shall act as President in the case of the absence or disability of the President. The Secretary shall act as a Secretary of the Board of Directors and shall be charged with the duty of seeing that all records and books of the district are properly kept. In case of the absence or inability of the Secretary to act, a Secretary pro tem shall be selected by the directors. The directors shall hold regular meetings at the office of the district on the first Monday in February, May, August and November of each year at 10:00 o'clock, a. m., and may hold other meetings at such other times as the business of the district may require.

Sec. 8. The directors shall receive as fees of office the sum of not to exceed Ten (\$10.00) Dollars per day for each day of service necessary to discharge their duties, provided such service is authorized by vote of the Board of Directors. They shall file with the Secretary a verified statement showing the actual number of days of service each month on the last day of the month, or as soon thereafter as possible and before a warrant shall be issued therefor.

Sec. 9. The directors shall keep a true and full account of all their meetings and proceedings and preserve their minutes, contracts, records, notices, accounts, receipts and records of all kinds in a fireproof vault or safe. The same shall be the property of the district and subject to public inspection. A regular office shall be established and maintained for conduct of the district business within the district.

Sec. 10. A complete book of accounts shall be kept. The account books and records of the district and of the depository of the district shall be audited by a Certified Public Accountant annually as soon as practicable after the expiration of each year, such audit to cover the preceding calendar year, and report thereon shall be submitted to the first regular meeting of the Board of Directors thereafter. Said report shall be in quadruplicate, one copy being filed in the office of the district, one with the depository of

the district, one in the office of the Auditor and one with the State Board of Water Engineers, all of which shall be open to public inspection.

Sec. 11. The directors may employ a Managing Director for the district and may give him full authority in the management and operation of the district affairs (subject only to the orders of the Board of Directors). Compensation to be paid such Managing Director and all employees shall be fixed by the Board of Directors and all employees may be removed by the Board.

Sec. 12. All bonds required to be given by directors, officers and employees of the district shall be executed by a surety company authorized to do business in the State, as surety thereon; and the district shall be authorized to pay the premiums on such bonds.

Sec. 13. No director of any such district, engineer or employee thereof shall be directly or indirectly, interested either for themselves or as agents for any one else in any contract for the purchase or construction of any work by said district, and if any such person shall, directly or indirectly, become interested in any such contract, he shall be guilty of a misdemeanor, and on conviction thereof shall be punished by a fine in any sum not to exceed One Thousand (\$1,000.00) Dollars, or by confinement in the county jail not less than six months nor more than one year, or by both fine and imprisonment.

Sec. 14. The said district shall have and be recognized to exercise, in addition to all the hereinbefore mentioned powers, for the conservation and beneficial utilization of said waters, the power of control and employment of such waters of the Sabine and Neches Rivers and their tributaries, including the storm and flood waters thereof, in the manner and for the particular purposes hereinafter set forth:

(a) To provide through practical and legal means for the control and coordination of the regulation of the waters of the Sabine and Neches Rivers and their tributary streams.

(b) To provide by adequate organization and administration for the preservation of the equitable rights of the people of the different sections of the watershed area in the beneficial use of the waters of the



Sabine and Neches Rivers and their tributary streams.

(c) For storing, controlling and conserving the waters of the Sabine and Neches Rivers and their tributaries within and/or without such district, and the prevention of the escape of any of such waters without the maximum of public service; for the prevention of devastation of lands from recurrent overflows, and the protection of life and property in such district from uncontrolled flood waters.

(d) For the conservation of the waters of the Sabine and Neches Rivers and their tributaries essential for the domestic uses of the people of the district, including all necessary water supplies for cities and towns.

(e) For the irrigation of all lands in said district and/or lands without said district but within said watershed area where irrigation is required for agricultural purposes, or may be deemed helpful to more profitable agricultural production; and for the equitable distribution of said waters to the regional potential requirements for all uses, domestic, manufacturing and irrigation. All plans and all works provided by said district, and as well, all works which may be provided under authority of said district, shall have primary regard to the necessary and potential needs for water, by or within the area in such district constituting the watershed of the Sabine and Neches Rivers and their tributary streams.

(f) For the better encouragement and development of drainage systems and provisions for drainage of lands in the valleys of the Sabine and Neches Rivers and their tributary streams needing drainage for profitable agricultural production; and drainage for other lands in the watershed area of the district requiring drainage for the most advantageous use.

(g) For the purpose of encouraging the conservation of all soils against destructive erosion and thereby preventing the increased flood menace incident thereto.

(h) To control and make available for employment said waters in the development of commercial and industrial enterprises in all sections of the watershed area of the district.

(i) For the control, storing and employment of said waters in the development and distribution of hy-

droelectric power, where such use may be economically coordinated with other and superior uses, and subordinated to the uses declared by law to be superior.

(j) And for each and every purpose for which flood and storm waters when controlled and conserved may be utilized in the performance of a useful service as contemplated and authorized by the provisions of the Constitution and the public policy therein declared.

(k) To purchase and/or construct all works necessary or convenient for the exercise of the powers and to accomplish the purposes specified in this Act and to purchase or otherwise acquire all lands and/or other property necessary or convenient for carrying out any such purposes.

(l) The right of eminent domain is expressly conferred upon such district to enable it to acquire the fee simple title to, and/or easement or right-of-way over and through, any and all lands, water or lands under water, private or public, within and without such district, necessary or convenient to carry out any of the purposes and powers conferred upon such district by this Act. All such condemnation proceedings shall be under the direction of the directors and in the name of the district, and the assessment of damages and all procedure with reference to condemnation, appeal and payment shall be in conformity with the statutes of this State as provided in the title of the Revised Statutes relating to "Eminent Domain."

(m) The Board of Directors of said district shall prescribe fees and charges to be collected for the use of water, water connections or other service, which fees and charges shall be reasonable and equitable and fully sufficient to produce revenues adequate to pay, and said Board of Directors shall cause to be paid therefrom:

(1) All expenses necessary to the operation and maintenance of the improvements and facilities of said district. Such operating and maintenance expenses shall include the cost of the acquisition of properties and materials necessary to maintain said improvements and facilities in good condition and to operate them efficiently, necessary wages and salaries of the district, and such other expenses as may be reasonably necessary to the efficient operation of said improvements and facilities.

(2) The annual or semi-annual interest upon any obligation issued hereunder payable out of the revenues of said improvements and facilities.

(3) The amount required to be paid annually into the sinking fund for the payment of any obligations issued hereunder payable out of the revenues of said improvements and facilities.

No other charge shall be made upon the revenues derived from said improvements and facilities so long as any obligations issued hereunder shall remain outstanding and unpaid as to principal or interest; provided, however, that out of revenues which may be received in excess of those required for the purposes listed in the above sub-paragraphs (1), (2) and (3), the Board of Directors may pay the cost of improvements and replacements not covered by said sub-paragraph (1), and may establish a reasonable depreciation and emergency fund.

It is the intent of this Act that the fees and charges of such district shall not be in excess of what may be reasonably necessary to fulfill the obligations imposed upon said district by this Act.

(n) Such district through its Board of Directors, shall have the right to employ managers, engineers, attorneys, and all necessary employees to properly construct, operate and maintain said works and carry out the provisions of this Act and to pay reasonable compensation fixed by the Board of Directors for such services.

(o) Such district, in addition to the powers hereinabove set out, shall have general power and authority to make and to enter into all contracts, leases and agreements necessary or convenient to carry out any of the powers granted in this Act, which contracts, leases and agreements may be entered into with any person, real or artificial, any corporation, municipal, public or private, and/or any government or governmental agency, including the United States Government and the State of Texas, and may convey or cause to be conveyed any of its properties, rights, lands, tenements, easements, improvements, reservoirs, dams, canals, plants, laterals, works and facilities to the United States Government or any agency thereof, and may enter into a lease with the United States Government, or any agency thereof

relative thereto, and obligate itself to pay rental therefor out of the income and revenues thereof, with or without the privilege of purchase, provided, however, that nothing herein contained shall authorize the assumption by such district of any obligation requiring payment out of taxes. Any and all such contracts, leases and agreements herein authorized shall be approved by resolution of the Board of Directors of such district, and shall be executed by the President and attested by the Secretary thereof.

(p) Such district shall have the right to sue and to be sued.

(q) Before such district shall establish a diversion point, construct the canals, pumping plants and other works herein provided for, it shall present to the Board of Water Engineers of the State of Texas, or such other agency performing the functions now performed by the Board of Water Engineers, plans and specifications of the same and obtain approval of such Board.

Sec. 15. The powers and duties herein devolved upon the said district shall be subject to the continuing rights of supervision by the State which shall be exercised through the State Board of Water Engineers, and in appropriate instances, by the State Reclamation Engineer, each of which agencies shall be charged with the authority and duty to approve, or to refuse to approve, the adequacy of any plan or plans for flood control or conservation improvement purposes devised by the district for the achievement of the plans and purposes intended in the creation of the district, and which plans contemplate improvements supervised by the respective State authorities under the provisions of the General Law.

Sec. 16. Said district shall have and may exercise such functions, powers, authority, rights and duties as may permit the accomplishment of the purposes for which it is created, including investigating and planning, acquiring, constructing, maintaining and operating of all necessary properties, lands, rights, tenements, easements, improvements, reservoirs, dams, canals, laterals, plants, works and facilities which it may deem necessary or proper for the accomplishment of said purposes, including the acquisition within and/or without said district of lands, rights-of-way, water rights and all

other properties, tenements, easements and all other rights incident, helpful to or in aid of carrying out the purposes of said district as herein defined; and this Act in all of its terms and provisions shall be liberally construed to effectuate each and all of the purposes thereof.

Sec. 17. Said district may receive grants and borrow money from the Federal Emergency Administration of Public Works of the United States, or from any other department or agency of the United States, or from any other source, and in evidence thereof may issue the notes, warrants, certificates of indebtedness or other form of obligations of such district, payable solely out of the revenues to be derived from said improvements and facilities and the operations and devices thereof.

Sec. 18. Each issue of obligations authorized hereunder shall constitute a separate series and shall be appropriately designated. Such obligations shall not constitute an indebtedness or pledge of the credit of such district, shall never be paid in whole or in part out of any funds raised or to be raised by taxation, and shall contain a recital to that effect. All obligations issued hereunder shall be in registered or coupon form and if in coupon form may be registerable as to principal only, or as to both principal and interest, shall bear interest at a rate not to exceed six per cent per annum, payable annually or semi-annually, and shall be in such denominations and shall mature serially or at one time not more than fifty years from their date in such manner as may be provided by the Board of Directors. Principal of and interest on such obligations shall be made payable at any place or places within or without the State of Texas and in the discretion of the Board of Directors; such obligations may be made redeemable at the option of said Board prior to maturity at such premium or premiums as the Board shall determine. Such obligations shall be signed by the President and Secretary of the Board of Directors, and the interest coupons attached thereto may be executed with the facsimile signatures of such officers. Such obligations shall be sold in such manner at such time as the Board of Directors shall determine to be expedient and necessary to the interest of the district, provided, that in no event shall such obligations

be sold for a price which will result in an interest yield therefrom of more than six per cent computed to maturity according to standard bond tables in general use by banks and insurance companies. In the event any of the officers whose signatures are on such obligations or coupons shall cease to be such officers before the delivery of such obligations to the purchaser, such signature or signatures, nevertheless shall be valid and sufficient for all purposes. All obligations issued hereunder shall constitute negotiable instruments within the meaning of the Negotiable Instruments Law.

Sec. 19. Any obligations issued hereunder may be issued payable from and secured by the pledge of all the revenues derived from the operation of the improvements and facilities of the district, exclusive of any revenues derived from taxation of assessments, or may be payable from and secured by the pledge of only such revenues as may be derived from the operation of the improvements and facilities acquired with the proceeds of the sale of such obligations, or may be payable from and secured by the pledge of a specific part of the revenues derived from the operation of the improvements and facilities of the district, all as may be provided in the proceedings authorizing the issuance of such obligations. If more than one series of obligations shall be issued under the provisions of this Act, payable from and secured by identical revenues, priority of lien against such revenues shall depend on the time of delivery of such obligations, each series enjoying a lien against such revenues prior and superior to that enjoyed by any other series of obligations subsequently delivered, provided, however, that as to any issue or series of obligations which may be authorized as a unit but delivered from time to time in blocks, the Board of Directors may, in proceedings authorizing the issuance of such obligations, provide that all of the obligations of such series or issue shall be co-equal as to lien regardless of the time of delivery.

Sec. 20. Any resolution, or order authorizing the issuance of obligations under the provisions hereof shall provide for the creation of a sinking fund, into which shall be paid from the revenues pledged to the payment of such obligations from

month to month as said revenues are collected, sums fully sufficient to pay principal of and interest on such obligations. The money in such sinking fund shall be applied solely to the payment of interest on the obligations for the payment of which such fund is created and for the retirement of said obligations at or prior to maturity in the manner herein provided. The Board of Directors may at the time obligations are authorized hereunder provide that all money in such sinking fund in excess of the amount required for the payment of interest on and principal of such outstanding obligations for such period as it may determine shall be expended once each year pursuant to its order in the purchase of obligations for the account of which such sinking fund has been accumulated, if any such obligations can be purchased at a price which shall seem reasonable to the Board, and may provide that in the event such obligations contain an option permitting retirement prior to maturity then such excess sums shall be paid out as aforesaid for the purchase of such obligations, but that if the Board shall be unable to so purchase sufficient obligations of said issue to absorb all such surplus it shall call for redemption of a sufficient amount of such obligations to absorb so far as practicable the entire surplus remaining in said sinking fund. It may be provided that any excess in the sinking fund which cannot be applied to the purchase or redemption of obligations shall remain in said sinking fund to be used for payment of principal or interest when due, or for the subsequent call of obligations for purchase or redemption in the manner above provided.

Sec. 21. Any resolution or order authorizing the issuance of obligations hereunder may contain such covenants with the holders of the obligations as to the management and operation of said improvements and facilities, collection of fees and charges for the use thereof, disposition of such fees and charges, issuance of future obligations and creation of future liens, mortgages and encumbrances against said improvements and facilities, and the revenues thereof and other pertinent matters, as may be deemed necessary to insure the marketability of said obligations, provided such cove-

nants are not inconsistent with the provisions of this Act.

Sec. 22. Any resolution or order authorizing the issuance of obligations hereunder shall provide that the revenues from which such obligations are to be paid and which are pledged to the payment of such obligations shall from month to month as the same shall accrue and be received, be set apart and placed in the sinking fund and disbursed in the manner hereinabove provided. In fixing and determining the amount of revenues which shall be so set aside, the Board of Directors shall provide that the amount to be set aside and paid into said fund in any year or years shall be not less than a fixed sum, which sum shall be at least sufficient to provide for the payment of the interest on and principal of all obligations maturing and becoming payable in each such year, together with a surplus or margin of ten per cent in excess thereof.

Sec. 23. Any holder of obligations issued hereunder or of coupons originally attached thereto, may either at law or in equity, by suit, action, mandamus, or other proceeding, enforce and compel performance of all duties required by this Act to be performed by the Board of Directors, including the making and collecting of reasonable and sufficient fees or charges for the use of the improvements and facilities of the district, the segregation of the income and revenues of such improvements and facilities, and the application of such income and revenues pursuant to the provisions of this Act. If there be any default in the payment of the principal of or interest on any of such obligations, any holder thereof shall be entitled to have an administrator or receiver appointed by any court having jurisdiction to administer and operate the improvements and facilities, the revenues of which are pledged to the payment of such obligations, in behalf of the district and the holders of such obligations, with power to fix and collect fees and charges sufficient to provide for the payment of operation and maintenance expenses as hereinabove defined, and to pay any obligations or interest coupons outstanding payable from the revenues of such improvements, and facilities, and to apply the income and revenues thereof in conformity with the provisions of this Act and the pro-

ceedings authorizing the issuance of said obligations.

Sec. 24. As additional security for the payment of any obligations issued hereunder, the Board of Directors may in its discretion have executed in favor of the holders of such obligations an indenture mortgaging and encumbering the improvements, facilities and properties acquired with the proceeds of the sale of such obligations, and/or all of the improvements, facilities and properties of the district, and may provide in such encumbrance for a grant to any purchaser or purchasers at foreclosure sale thereunder of a franchise to operate such improvements, facilities and properties for a term of not over fifty years from the date of such purchase, subject to all laws regulating same then in force. Any such indenture may contain such terms and provisions as the Board of Directors shall deem proper and shall be enforceable in the manner provided by the laws of Texas for the enforcement of other mortgages and encumbrances. Under any sale ordered pursuant to the provisions of such mortgage or encumbrance, the purchaser or purchasers at such sale, and his or their successors or assigns, shall be and hereby are vested with a permit and franchise to maintain and operate the improvements, facilities and properties purchased at such sale with like powers and privileges as may theretofore have been enjoyed by the district in the operation of said improvements, facilities and properties. The purchaser or purchasers of such improvements, facilities and properties at any such sale, and his or their successors and assigns, may operate said improvements, facilities and properties as provided in the last above sentence or may at their option remove all or part of said improvements, facilities and properties for diversion to other purposes. Any Statutes of the State of Texas pertaining to the granting of franchises shall not be applicable to the authorization or execution of any mortgage or encumbrance entered into pursuant to the provisions of this Act, nor to the granting of any franchise hereunder.

Sec. 25. The proceeds of the sale of any obligations issued hereunder may be deposited in such bank or banks as may be agreed upon between the purchaser at such sale and the Board of Directors, and may be deposited and paid out pursuant to

such terms and conditions as may be so agreed upon, it being expressly provided that the Statutes of Texas pertaining to the deposit of the district funds in the depository of such district shall not be applicable to the deposit of the proceeds of such sale. Any part of the proceeds of the sale of obligations issued hereunder which may remain unexpended after the project for which the obligations were authorized has been completed may be paid into the sinking fund for the payment of said obligations and be used only for the payment of principal of such obligations, or for the purposes of acquiring such outstanding obligations by purchase in the manner hereinabove provided.

Sec. 26. The Board of Directors is authorized to enter into an agreement or agreements with the purchaser or purchasers of any obligations issued hereunder under the terms of which such Board shall agree to keep all of the improvements and facilities, the revenues of which are pledged to the payment of such obligations, insured with insurers of good standing against loss or damage by fire, water or flood, and also from any other hazards customarily insured against by private companies operating similar properties, and to carry with insurers of good standing such insurance covering the use and occupancy of such property as is customarily carried by such private companies. The cost of such insurance shall be budgeted as maintenance and operation expense and such insurance shall be carried for the benefit of the holders of such obligations.

Sec. 27. Any obligations issued pursuant to the provisions of this Act shall be exempt from taxation by the State of Texas or by any municipal corporation, county, or other political subdivision or taxing district of the State.

Sec. 28. Such district issuing obligations under the provisions hereof may thereafter authorize and issue its refunding obligations on such terms as its Board of Directors may deem advisable for the purpose of providing for the retirement of any such outstanding obligations, either due or to become due, which refunding obligations may be either exchanged for like par amounts of

such outstanding obligations or may be sold and the proceeds of sale so applied. Any refunding obligations authorized and issued pursuant hereto shall be subject to the provisions of this Act pertaining to the issuance of other obligations and shall be secured in all respect to the same extent and be payable from the same revenues as were the obligations refunded thereby.

Sec. 29. Before any such obligation shall be issued, such district shall submit a certified copy thereof and of the proceedings for their issuance, together with any additional information which may be required, to the Attorney General of Texas for approval, and when so approved, such obligations shall be issued after registration with the Comptroller of the State of Texas.

Sec. 30. This Act, without reference to other Statutes of the State of Texas, shall constitute full authority for the authorization and issuance of obligations hereunder and for the accomplishment of all things herein authorized to be done, and no proceedings relating to the authorization or issuance of such obligation or the doing of such things shall be necessary except such as are herein required, and neither the Bond and Warrant Law of 1931 or any other provisions of the laws of the State of Texas pertinent to the authorization or issuance of obligations, the operation and maintenance of such improvements and facilities, the granting of franchises or permits, the right to elections or referendum petitions, or in anywise impeding or restricting the carrying out of the acts authorized to be done hereunder, shall be construed as applying to any proceedings had hereunder or acts done pursuant hereto.

Sec. 31. This district or any Conservation and Reclamation District, heretofore or hereafter created by either general or special law shall have the authority, and it is hereby authorized to issue its revenue bonds, secured only by pledge of the revenues of the district, as authorized by the law under which any such district is created or organized, in any such amount as may be authorized by the directors of such district; and any provision of any law or act, general or special, which limits the amount of such bonds

which may be issued by any such district is hereby repealed.

Sec. 32. Nothing in this Act shall be construed as effecting any existing rights or existing priorities in the rights to water from the source of supply and neither the formation of the district hereunder nor a contract for the purchase of water with such district shall ever be held to be an abandonment or waiver of said rights or priorities, or an abandonment of the original point of diversion from the source of supply, but all such rights existing at the time of the formation of such district shall be preserved.

Sec. 33. That said district or the contractor who employs the labor for the construction of any improvements for said district shall be required to give preference to persons who are on relief rolls or otherwise unemployed, including those required for office or clerical work, but excepting the key workers of such district or such contractor, provided such persons on relief or unemployed are capable of efficiently rendering the proper service in the various classifications of labor under which they are employed, and in the event there are not sufficient persons with the proper qualifications as aforesaid, then the district or the contractor shall give preference to employment of qualified workers who reside in the locality where such improvements are to be constructed; and every contract expressly entered into by the district hereunder shall impose upon the contractor the obligation to give preference in employment to such needy persons upon relief rolls or otherwise as provided herein and shall expressly impose upon such contractor the obligations provided for in this Section; provided nothing in this Section contained shall conflict with the requirements of any Federal Agency providing any funds for such District.

Sec. 34. There is hereby appropriated and there shall be paid to said District out of the General Fund not otherwise appropriated the sum of Five Thousand Dollars (\$5,000.00), which said sum shall be used for defraying the expenses of making engineering surveys, plans and specifications, for the compilation of other necessary data, for ab-

tracts of title, and for the payment of necessary and proper expenses incidental to the application and negotiations for and securing the aid and assistance of the Federal Emergency Administration of Public Works, or other Governmental bodies of the United States, and in connection with the organization of the District, and any and all expenses necessary to the management of the affairs of the District. Provided, however, that none of the amount appropriated herein shall be used to pay any expenses or costs incurred prior to the effective date of this Bill. Provided that none of the funds herein appropriated shall be used to pay for options on lands in said District.

Sec. 35. If any paragraph, clause or provision of this Act shall be held unconstitutional, the validity of the other provisions of this Act shall not be affected thereby, but shall remain in full force and effect.

Sec. 36. The importance of this Legislation to the section of the State affected thereby creates an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days be and the same is hereby suspended, and that this Act shall take effect and be in force from and after the passage thereof, and it is so enacted.

The Conference Committee report on S. B. No. 361 was adopted by the following vote:

**Yeas—21.**

|           |             |
|-----------|-------------|
| Beck.     | Pace.       |
| Burns.    | Poage.      |
| Cotten.   | Rawlings.   |
| Davis.    | Redditt.    |
| Duggan.   | Sanderford. |
| Hill.     | Shivers.    |
| Holbrook. | Small.      |
| Hornaby.  | Stone.      |
| Moore.    | Westerfeld. |
| Neal.     | Woodruff.   |
| Oneal.    |             |

**Nays—4.**

|          |         |
|----------|---------|
| Collis.  | Martin. |
| DeBerry. | Sulak.  |

**Present—Not Voting.**

Van Zandt.

**Absent—Excused.**

|           |          |
|-----------|----------|
| Blackert. | Hopkins. |
| Fellbaum. | Regan.   |

**Recess.**

The motion to recess until 10:00 o'clock a. m. Wednesday prevailed by viva voce vote at 4:30 o'clock p. m.

**APPENDIX.**

**Committee on Enrolled Bills.**

Committee Room,

Austin, Texas, April 11, 1935.

Hon. K. M. Regan, President Pro Tem of the Senate.

Sir: We, your Committee on Enrolled Bills, have had S. B. No. 46 carefully examined and compared and find same correctly enrolled.

POAGE, Chairman.

Committee Room,

Austin, Texas, April 11, 1935.

Hon. K. M. Regan, President Pro Tem of the Senate.

Sir: We, your Committee on Enrolled Bills, have had S. B. No. 457 carefully examined and compared and find same correctly enrolled.

POAGE, Chairman.

Committee Room,

Austin, Texas, April 12, 1935.

Hon. K. M. Regan, President Pro Tem of the Senate.

Sir: We, your Committee on Enrolled Bills, have had S. B. No. 366 carefully examined and compared and find same correctly enrolled.

POAGE, Chairman.

Committee Room,

Austin, Texas, April 15, 1935.

Hon. K. M. Regan, President Pro Tem of the Senate.

Sir: We, your Committee on Enrolled Bills, have had S. C. R. No. 35 carefully examined and compared and find same correctly enrolled.

POAGE, Chairman.

Committee Room,

Austin, Texas, April 15, 1935.

Hon. K. M. Regan, President Pro Tem of the Senate.

Sir: We, your Committee on Enrolled Bills, have had S. C. R. No. 37 carefully examined and compared and find same correctly enrolled.

POAGE, Chairman.

**Committee Reports.**

Committee Room,

Austin, Texas, April 16, 1935.

Hon. Walter F. Woodul, President of the Senate.

Sir: We, your Committee on Insurance, to whom was referred

S. B. No. 399, A bill to be entitled "An Act amending Section 29 of Chapter 274, Page 563, of the Acts of the Forty-first Legislature, Regular Session, 1929; repealing all laws in conflict therewith; and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

COLLIE, Chairman.

Committee Room,

Austin, Texas, April 16, 1935.

Hon. Walter F. Woodul, President of the Senate.

Sir: We, your Committee on Insurance, to whom was referred

H. B. No. 312, A bill to be entitled "An Act to amend Article 4758 of the Revised Civil Statutes of Texas, of 1925, provided for the deposit of securities, or the payment of taxes, fines, penalties, certificates of authority, valuation of policies, licenses, fees or any other special burden by an insurance corporation, fraternal beneficiary society or reciprocal exchange organized in a State, the laws of which require similar deposits in said State by similar companies organized under the laws of the State of Texas and transacting business in said State, etc."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

COLLIE, Chairman.

Committee Room,

Austin, Texas, April 16, 1935.

Hon. Walter F. Woodul, President of the Senate.

Sir: We, your Committee on Game and Fish, to whom was referred

H. B. No. 776, A bill to be entitled "An Act to make it unlawful to take, hunt, trap, shoot or kill any deer and/or wild turkey for a period of three (3) years in Taylor, Jones, Shackelford, and Panola Counties, Texas; fixing penalties, and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

SHIVERS, Chairman.

Committee Room,

Austin, Texas, April 15, 1935.

Hon. K. M. Regan, President Pro Tem. of the Senate.

Sir: We, your Committee on State Affairs, to whom was referred

S. B. No. 504, A bill to be entitled "An Act providing for a rural school supervisor, prescribing qualifications and duties of said rural school supervisor, providing for the payment of the salary of said rural school supervisor, in counties having a population of 21,830 to 22,080, according to the Federal census of 1930, etc., and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

PACE, Chairman.

Committee Room,

Austin, Texas, April 15, 1935.

Hon. K. M. Regan, President Pro Tem. of the Senate.

Sir: We, your Committee on State Affairs, to whom was referred

S. B. No. 499, A bill to be entitled "An Act granting permission to the International Great Northern Railroad Company, Chicago, Burlington and Quincy Railroad Company and other railroad company or carrier interested in a shipment of a carload of steel wheels, with and without rubber tires and also extra weight steel and iron shipped by the Highway Department of the State of Texas which is also the State Highway Commission of the State of Texas, over said railroads to Davenport, State of Iowa, consigned to French & Hecht, on or about March 22nd, 1932, etc., and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

PACE, Chairman.

#### Minutes of Committee Meetings.

Minutes of Committee on Insurance  
Held April 16, 1935.

#### Regular Meeting.

Present: Collie, Cotten, DeBerry, Holbrook, Pace, Poage, Shivers, Sulak, Westerfeld and Woodruff.

Absent: Moore and Rawlings.

Senator Pace moved that S. B. No.



415, as amended, be reported favorably with recommendation that it do pass and be printed.

Senator Holbrook moved as substitute that S. B. No. 415, as amended, be reported unfavorably with recommendation that it do not pass.

Substitute motion lost by the following vote: yeas, Holbrook; nays, Cotten, DeBerry, Pace, Sulak, Westfeld and Woodruff.

S. B. No. 415, as amended, reported favorably by viva voce vote.

On motion of Senator DeBerry, H. B. No. 176 was set for special order at next regular meeting, Thursday, April 18th at 4:00 o'clock p. m.

H. B. No. 312 reported favorably by viva voce vote.

S. B. No. 399 reported favorably by viva voce vote.

ANNA MAY CULLEN,  
Secretary.

#### FIFTIETH DAY.

(Continued.)

Senate Chamber,  
Austin, Texas,  
April 17, 1935.

The Senate met at 10 o'clock a. m. pursuant to recess and was called to order by President Pro Tem K. M. Regan.

#### House Bill No. 327.

Pending business was H. B. No. 327, Committee Amendment No. 9.

#### Message from the Governor.

The Chair recognized the Doorkeeper, who introduced a messenger from the Governor, with the following message:

Executive Office,  
Austin, Texas, April 17, 1935.  
To the Members of the Forty-fourth Legislature:

My attention has been directed to the present situation of Senate Bills 114 and 189, and House Bills 89, 736, 743, 749, 755 and 785. These bills, if enacted into law, I am informed by those best able to form an estimate, will bring in additional revenue of Seventeen Million, Five Hundred Thousand Dollars (\$17,500,000.00) a year. With the exception of House Bill 785, which imposes tax on liquor sales permitted by existing prohibition laws, none of

them levy additional taxes. The purpose of all of them is to stop the tax leaks existing in present tax laws.

It is unfair to leave these loopholes and have law-abiding citizens pay these taxes and the guilty escape.

Only the near approach of the close of this session and the desire of all of us to balance the budget impels me to suggest and request of the House and Senate that if in your good judgment this should be done, that a concurrent resolution be passed, suspending the rules of the House and Senate so as to permit the respective Houses to take up and pass these bills Wednesday and Thursday, thereby insuring the final enactment of these measures into laws.

I am reliably informed that they are non-controversial measures to a large extent, and in view of the large revenue they should bring to the State, I feel both of your honorable bodies will give special attention to them and take no chance on failing to get this additional revenue. Your cooperation will be greatly appreciated.

Respectfully submitted,  
WALTER F. WOODRUFF,  
Acting Governor of Texas.

Read.

#### S. C. R. No. 41.

Senator Poage sent up the following resolution:

Whereas, One J. M. Walker of Falls County, Texas, was required by the State of Texas to pay to the State of Texas the sum of \$2,915.45, principal, interest and costs of court, as surety upon a bail bond for one, Will Mitchell, under indictment in District Court of Falls County, Texas, for a felony, and, whereas, at the time said forfeiture was taken by the State and at the time of the collection of the money by the State from said J. M. Walker, the said principal, Will Mitchell was dead and incapable of making his appearance before said court as called for in said bond; and,

Whereas, Said fact of such death was at said time unknown to both the State and J. M. Walker, and was not ascertained for several years thereafter; and,

Whereas, Said J. M. Walker has presented his claim against the State of Texas for said sum of money so paid to the State by said Walker, with interest thereon at the legal